

**REMARKS**

Applicant respectfully requests reconsideration and further examination.

To recap the status of the claims: claims 112-118 and 120-143 were previously pending in this application. Claim 118 has been canceled. No new claims have been added. As a result, claims 112-117 and 120-143 are pending for examination with claims 112, 133 and 140 being independent claims. Each of the independent claims has been amended, along with certain of the dependent claims as indicated on the attached listing of the claims. No new matter has been added.

**Rejections under 35 U.S.C. §101**

Claims 133-139 were rejected under 35 U.S.C. §101, as reciting non-statutory subject matter. During a prior interview, the Examiner indicated the basis for the rejection is that the claims recite “nonfunctional descriptive material.”

Applicants respectfully disagree that claims 133-139 recite nonfunctional descriptive material. For the reasons stated below, and in light of recently released “Interim Guidelines for Examination of Patent Applications for Patent Subject Matter Eligibility,” (the “*Interim Guidelines*”) Applicants request that this rejection be withdrawn.

Each of these claims recites a computer-readable medium that is encoded with “data that is watermarked with an identification code.” The watermark and identification code are functional – they are important components contributing to the functioning of a system as described in the application. Further, the claims recite “a plurality of locations” and a “different modulation scheme at each of the plurality of locations” and also that “each of the plurality of locations being a random location within a group of available placement locations at which the watermarked title data has properties meeting at least one criterion” – which are limitations on where and how the data is stored. In summary, the claims recite structural and functional interrelationships rather than nonfunctional descriptive material.

The *Interim Guidelines* at Annex IV, page 54, discuss nonfunctional descriptive material. The guidelines expressly state that “nonfunctional descriptive material claimed in combination with descriptive multi-media material on a computer-readable medium is statutory.” These statements apply to the present claims. Though the title data itself may be non-functional

descriptive material, the claim recites a computer-readable medium that includes data that has specific characteristics so that it may function in a watermarking system and thus falls within the class of inventions described in the *Interim Guidelines* to be patentable.

Further, these claims are in the form approved by the Federal Circuit in *In re Lowry*, 32 F.3d 1579, 32 USPQ2d 1031 (Fed.Cir. 1994) and should be allowed. Both the *Interim Guidelines* and the M.P.E.P. discuss the interplay between *In re Lowry* and *In re Warmerdam*, 33 F.3d 1354, 1360, 31 USPQ 2d 1754, 1759 (Fed.Cir. 1994). Applicants respectfully disagree that *In re Warmerdam* states the applicable legal principle. Both *In re Lowry* and *In re Warmerdam* are discussed at M.P.E.P. §2106 IV.B.1. Though the first paragraph of §2106 IV.B.1.(a) begins with an indication that data structures not claimed as embodied in computer-readable media are not statutory. But, that paragraph ends with an express statement that: “a claimed computer readable medium encoded with a data structure defines structural and functional interrelationships between the data structure and the computer software and hardware components which permit the data structure’s functionality to be realized, **and is thus statutory.**” (Emphasis added.) The claims in the present application are directed to a “computer-readable medium” containing data with structural and functional properties and therefore is statutory.

Accordingly, the rejection should be withdrawn.

#### Rejections under 35 U.S.C. §103

Each of the independent claims, 112, 133 and 140, was rejected based on Koch et al., in view of Senoh and further in view of Girod et al.

Applicants described in response to the prior office action disagreements with the Examiner’s interpretation of the teachings of the references. The claims as amended further highlight differences between the claimed invention and the references and all of the claims should be allowed.

#### CONCLUSION

A Notice of Allowance is respectfully requested. The Examiner is requested to call the undersigned at the telephone number listed below if this communication does not place the case in condition for allowance.

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If this response is not considered timely filed and if a request for an extension of time is otherwise absent, Applicant hereby requests any necessary extension of time. If there is a fee occasioned by this response, including an extension fee, that is not covered by an enclosed check, please charge any deficiency to Deposit Account No. 23/2825.

Respectfully submitted,  
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